(14)

No. 98-149

IN THE

Supreme Court of the United States

OCTOBER TERM, 1998

COLLEGE SAVINGS BANK,
Petitioner,

vs.

FLORIDA PREPAID POSTSECONDARY
EDUCATION EXPENSE BOARD,
Respondent.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE THIRD CIRCUIT

MOTION FOR LEAVE TO FILE *AMICUS CURIAE* BRIEF AND BRIEF FOR *AMICUS CURIAE* AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION SUPPORTING AFFIRMANCE OF THE THIRD CIRCUIT'S ORDER

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MOTION FOR LEAVE TO FILE *AMICUS CURIAE* BRIEF

Pursuant to Rule 37.3(b) of the Rules of the Supreme Court of the Unites States, the American Intellectual Property Law Association ("AIPLA") hereby requests leave to file the accompanying *amicus curiae* brief. Such brief is submitted in support of affirmance of the decision of the Third Circuit Court of Appeals.

College Savings Bank and the United States have consented to the filing of such brief. Respondent Florida Prepaid Postsecondary Education Expense Board has not consented.

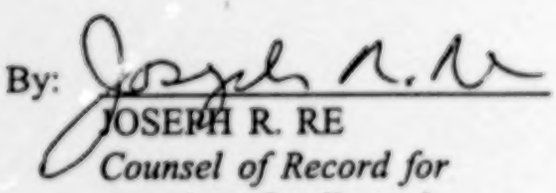
As set forth in the accompanying brief, AIPLA is a national association of approximately 10,000 members who are primarily attorneys with interests and practices in the areas of patent, copyright, trademark, trade secret, and other intellectual property law.

This case concerns a false advertising claim brought under Section 43(a) of the Lanham Act alleging that a defendant made misrepresentations regarding its own products. Because this claim is not a traditional intellectual property right, the AIPLA takes no position on whether states can be sued for such claims.

Section 43(a), however, is also one of the statutes that define trademark infringement. Because trademarks are traditional intellectual property rights, this Court should limit any affirmance of the Third Circuit's ruling to the false advertising claims before it, and not broadly rule that Congress has no power under the Fourteenth Amendment to abrogate immunity to any Section 43(a) claim.

The AIPLA is deeply concerned that trademark holders may lose their abililty to bring actions against states for trademark infringement. Accordingly, the AIPLA respectfully requests leave to file the accompanying *amicus curiae* brief.

March 20, 1999 Respectfully submitted,

By: 

JOSEPH R. RE
Counsel of Record for
American Intellectual
Property Law Association

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INTEREST OF THE AMICUS CURIAE[1]

The American Intellectual Property Law Association ("AIPLA") is a national association of approximately 10,000 members who are primarily attorneys with interests and practices in the areas of patent, copyright, trademark, trade secret, and other intellectual property law. AIPLA attorneys are employed by private law firms, corporations, universities, and governments, and represent both owners and users of intellectual property. Unlike many other areas of practice in which separate and distinct plaintiffs' and defendants' bars exist, most, if not all, intellectual property law attorneys represent both intellectual property owners and alleged infringers.

The AIPLA has no stake in the parties to this litigation or the result of this case. It is, however, deeply concerned that this Court might broadly rule that Congress has no power to abrogate states' immunity with respect to claims under the Lanham Act. Although this case does concern a claim under Section 43(a) of the Lanham Act, 15 U.S.C. 1125(a), the claim relates only to false advertising. Such a claim does not implicate traditional Fourteenth Amendment intellectual property rights, and therefore the AIPLA takes no

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[1] Pursuant to Rule 37.6, *amicus curiae* states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than the *amicus curiae* or its counsel.

position regarding whether this Court should affirm or reverse the Third Circuit's decision.

Section 43(a) provides for suits for trademark infringement in addition to other claims, such as the false advertising claim involved in this case. Because trademarks *are* intellectual property protected by the Fourteenth Amendment, if this Court does affirm the Third Circuit's decision, the AIPLA urges this Court to explicitly limit its holding in this case to Section 43(a) claims alleging that a defendant has made misrepresentations regarding its own product.

SUMMARY OF THE ARGUMENT

This case, brought under Section 43(a) of the Lanham Act, raises solely a claim concerning a defendant's misrepresentations about its own product. The claim does not implicate traditional property rights, and the AIPLA takes no position regarding whether this Court should affirm or reverse the Third Circuit's decision.

Claims under Section 43(a) of the Lanham Act for certain types of trademark infringement, however, do directly implicate Fourteenth Amendment property rights. If this Court does affirm the Third Circuit's decision, it should not broadly invalidate the Trademark Remedy Clarification Act, 15 U.S.C. § 1122(a) (the "Act"). Rather, it should strictly limit any holding to misrepresentations by a defendant regarding its own product.

ARGUMENT

THIS COURT SHOULD LIMIT ITS DECISION TO LANHAM ACT FALSE ADVERTISING CLAIMS

This case arises solely from allegations of false representations by a defendant concerning its own product under Section 43(a) of the Lanham Act. *See* Pet'r Br. 2. Because such allegations do not implicate Fourteenth Amendment property rights, the Third Circuit held that Congress did not have the power to abrogate Florida's Eleventh Amendment immunity.

Although not at issue in this case, a claim for trademark infringement does implicate Fourteenth Amendment property interests. "The right to use a trade-mark is recognized as a kind of property . . . ." *Hamilton-Brown Shoe Co. v. Wolf Bros & Co.*, 240 U.S. 251, 259 (1916). Courts have repeatedly recognized trademarks as property. *Chattanooga Foundry & Pipe Works v. City of Atlanta*, 203 U.S. 390, 399 (1906) ("A trade-mark, or a trade-name, or a title, is property . . ."); *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 403, 413 (1916) ("[T]rade-marks, and the right to their exclusive use, are of course to be classified among property rights . . . ."); *Maltina Corp. v. Cawy Bottling Co.*, 613 F.2d 582, 585 (5th Cir. 1980) (an infringer's use of the markholder's property to make a profit results in unjust enrichment that may properly be remedied through an award of profits); *Maier Brewing Co. v. Fleischmann Distilling Corp.*, 390 F.2d 117, 121 (9th Cir. 1968), (trademark holder must be compensated where infringer has taken the plaintiff's property as represented by his trademark), *cert. denied*, 391 U.S. 966 (1968); *Bishop v. Equinox International Corp.*, 154 F.3d 1220, 1223 (10th Cir. 1998) (a trademark is a protectable property right); *New Kids on the Block v. New America Pub, Inc.*, 971 F.2d 302, 306 (9th Cir. 1992) (Kozinski, J.) ("A trademark is a limited property right in a particular word, phrase or symbol.").

Because a trademark is property, trademarks are protected by the Fourteenth Amendment's prohibition on state deprivations of property. In passing the Act,

Congress thus validly abrogated states' immunity to Section 43(a) as to actions for trademark infringement.

Despite the fact that Congress defined federal claims for both false advertising and trademark infringement in the same statute, the underlying rights involved in each of these claims are fundamentally different. This case does not raise the question of whether the Act constitutionally abrogates states immunity as to actions for trademark infringement.[2] Accordingly, this Court should strictly limit its holding to claims for false representations by a defendant about its own product.[3]

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[2] Nor does it implicate the question of whether the Act constitutionally abrogates states' immunity as to actions concerning a defendant's alleged misrepresentations about a plaintiff's product or service.

[3] The AIPLA believes that this Court's opinion in *Seminole Tribe v. Florida*, 517 U.S. 44 (1996), confirmed the viability of the waiver doctrine described by this Court in *Parden v. Terminal Ry. of Ala. State Docks Dep't*, 377 U.S. 184 (1964). *See* Brief for Amicus Curiae American Intellectual Property Law Association in Support of Respondent in No. 98-531. The AIPLA expresses no opinion, however, as to whether Florida has waived its sovereign immunity in this case. Here, neither the claim against Florida, nor the activities allegedly giving rise to Florida's waiver, implicate intellectual property, the AIPLA's sole area of interest.

CONCLUSION

For the foregoing reasons, the AIPLA respectfully requests this Court explicitly limit its holding in this case to claims for false representations by a defendant about its own product.

Respectfully submitted,

March 20, 1999

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